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Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples by the specialized agencies and the international institutions associated with the United Nations

Assistance to the Palestinian people

Report of the Secretary-General

Summary

During the period under review, the government of Prime Minister Salam Fayyad made progress on fiscal, monetary and security reforms. Donors disbursed about $1.8 billion to finance the recurrent budget, which is well above the amount pledged at the Paris donor conference. During the International Conference in Support of the Palestinian Economy for the Reconstruction of Gaza, held on 2 March 2009, donors pledged approximately $4.5 billion to support the needs of the Palestinian people.

The overall economic and political situation was challenging. Increased isolation, internal Palestinian divisions and armed conflict led to substantial economic and humanitarian deterioration in the Gaza Strip, where Hamas continued its control. In the West Bank, although Israeli restrictions on movement decreased in some locations, the number of obstacles remained overall the same during the reporting period. Settlements and outposts have expanded and house demolitions have increased, in particular in East Jerusalem. Bilateral political negotiations between the Government of Israel and the Palestine Liberation Organization

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continued, but no agreement was reached. Despite various attempts mediated by Egypt, no real progress has been made on intra-Palestinian reconciliation, prisoner exchange or a sustainable ceasefire.

The present report describes efforts made by United Nations agencies, in cooperation with the Palestinian Authority and donors, to support the Palestinian population and institutions.

I. Introduction

1. The present report is submitted pursuant to General Assembly resolution 63/140, in which the Assembly requested the Secretary-General to submit to it, at its sixty-fourth session, through the Economic and Social Council, a report on the implementation of the resolution, containing an assessment of the assistance received by the Palestinian people and of the needs still unmet and specific proposals for responding effectively to them. The reporting period was from May 2008 to April 2009.

2. Information on the living and socio-economic conditions of the Palestinian people is provided in several reports prepared by other United Nations agencies, in particular: (a) the report of the Economic and Social Commission for Western Asia (ESCWA) on the economic and social repercussions of the Israeli occupation on the living conditions of the Palestinian people in the occupied Palestinian territory, including Jerusalem, and of the Arab population in the occupied Syrian Golan (to be issued); (b) the annual report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) (A/63/13); and (c) the Humanitarian Monitor reports of the Office for the Coordination of Humanitarian Affairs.

3. The humanitarian, economic and development needs of the Palestinian people are reflected in several documents. The consolidated appeals process for 2009 sought $875 million, including $615 million for Gaza, to address critical relief needs. The Palestinian Reform and Development Plan for 2008-2010 put forward priority investments in the governance, social, economic and private sectors, and infrastructure development worth $1.644 billion. The Palestinian National Early Recovery and Reconstruction Plan for Gaza for 2009-2010 sought $1.297 billion to support the social, private and governance sectors as well as infrastructure development in the wake of the crisis in Gaza in December 2008 and January 2009. During the International Conference in Support of the Palestinian Economy for the Reconstruction of Gaza, held in Sharm el-Sheikh, Egypt, on 2 March 2009, donors pledged approximately $4.5 billion to support the needs of the Palestinian people that were expressed through the above-mentioned documents.

4. Throughout the year, the Office of the United Nations Special Coordinator for the Middle East Peace Process and Personal Representative of the Secretary-General to the Palestine Liberation Organization and the Palestinian Authority continued its efforts to support the peace process and to ensure effective coordination among the Palestinian Authority, the United Nations, the international community and the Government of Israel, as well as to document the economic and social conditions in the occupied Palestinian territory.

5. The present report provides an overview of the work of the United Nations, in cooperation with Palestinian and donor counterparts, to assist the Palestinian people and institutions, as requested by the General Assembly in its resolution 63/140. Also included is a summary of key political developments and challenges relevant to the reporting period, as the international community works to alleviate the suffering of the Palestinian people and to support the political process among the parties.

II. Overview of the current situation

A. Political context

6. Bilateral negotiations between the Government of Israel and the Palestine Liberation Organization continued in 2008 pursuant to the Annapolis Joint Understanding of November 2007. However, the parties failed to reach an agreement. Nor was any agreement reached on the exchange of prisoners. Parallel efforts to improve conditions on the ground and implement the commitments contained in the Quartet's road map achieved mixed success. Meanwhile, the Annapolis framework was consolidated through Security Council resolution 1850 (2008), in which the Council stressed its commitment to the irreversibility of the negotiations and its support for the goal of an agreement addressing all core issues.

7. In the West Bank, the Palestinian Authority carried out security reforms and undertook concrete steps towards improving government institutions. The Government of Israel enhanced security cooperation, especially in the northern West Bank, but continued to carry out military operations. Settlement activity, the demolition of homes and the construction of the barrier continued. Movement and access restrictions remained at a constant high of over 600 obstacles to movement in the West Bank. Movement in and out of the Gaza Strip was severely restricted during the reporting period, with only a very limited number of aid workers allowed in and out of Gaza and hardly any Palestinians, except students, medical cases and pilgrims with specific permits.

8. Intra-Palestinian divisions persisted and rocket and mortar fire from Gaza continued, as did the closure of Gaza crossing points, until a *tahdi'ah*, or lull, between Israel and Hamas, was concluded in June 2008 with the facilitation of Egypt. That led to a substantial decrease in both Israeli incursions and rocket and mortar fire into Israel and a minor relaxation of the closure of Gaza. However, the *tahdi'ah* started to unravel in November 2008. November and December 2008 witnessed a sharp decrease in the quantity of goods, cash and personnel allowed into Gaza. Following the resumption of Israeli military incursions and Hamas rocket fire, Israel launched a ground, air and sea military operation codenamed "Cast Lead" from 27 December 2008 to 18 January 2009. Responding to the developments on the ground, the Security Council, in its resolution 1860 (2009), called for an immediate, durable and sustainable ceasefire, as well as for efforts to prevent the resupply of weapons to Gaza and to open crossings in accordance with the 2005 Agreement on Movement and Access.

9. Hostilities ended in the unilateral ceasefires that were declared on 18 and 19 January 2009, following which Palestinian reconciliation efforts resumed. In February, March and April 2009, new rounds of talks were held in Cairo under the aegis of Egypt, with committees focusing on the reform of the Palestine Liberation Organization, security, government, elections and conciliation. On 7 March 2009, Palestinian Prime Minister Fayyad submitted his resignation to facilitate the formation of a consensus government, but President Abbas did not accept it.

10. Elections were held in Israel on 10 February 2009, and a new Prime Minister, Binyamin Netanyahu, was sworn in on 31 March 2009.

B. Humanitarian and socio-economic context

Economic and fiscal developments

11. As a result of the situation in Gaza, the economic situation in the occupied Palestinian territory deteriorated further than envisaged in the Palestinian Reform and Development Plan. Real gross domestic product (GDP) was estimated to have declined by 13 per cent during the reporting period, while per capita income dipped to almost 34 per cent below its 2000 level. In addition, the inflation rate (annual percentage change) increased from 6.9 per cent in December 2007 to 12.5 per cent in July 2008 before falling to 7 per cent in December 2008. Changes in inflation during the year reflected world prices for food and petroleum products. The adverse impact of those factors on economic growth was tempered to some extent by improved security conditions in West Bank cities, as well as donor budgetary assistance that was higher than expected.[1]

12. The government of Prime Minister Fayyad continued to follow a strict government employment policy, freezing wage increases and improving payments of utility bills. The public financial management system was further strengthened. The recurrent fiscal deficit was estimated to have declined to 19 per cent of GDP in 2008, from 24 per cent in 2007, largely reflecting expenditure restraints on wages and reduced utility subsidies. In accordance with the Palestinian Reform and Development Plan, which envisaged the repayment of about NIS 1 billion in arrears owed to public sector employees in a phased manner from 2008 to 2010, the Palestinian Authority fully repaid all public and private arrears in 2008. This measure helped cushion the impact of the higher-than-expected inflation on the real incomes of the Palestinian Authority employees.

13. The Palestinian Monetary Authority continued to make progress in 2008 in internal reform and capacity development, including in strengthening their supervisory and governance framework. A Macroprudential Division was created, and progress was made in establishing an early warning system. A new credit registry allowed banks to better evaluate risks, reduce collateral requirements and improve credit flow. The financial legal framework was also strengthened, while an anti-money-laundering law has been in force since 2007.

14. The economic situation in Gaza deteriorated markedly during the reporting period, owing mainly to its increased isolation and the crisis of December 2008-January 2009. The restrictions on the entry of cash into Gaza decreased depositors' confidence in banks and further reduced the ability of Gaza's population to meet its basic needs. The liquidity crisis, which had already begun in June 2007, led in the reporting period to a non or partial payment of salaries for Palestinian Authority employees, social hardship cases supported by the European Commission's PEGASE mechanism and for the programmes of UNRWA. If it continues, the liquidity shortage could lead to unprecedented financial losses.

Humanitarian and social-economic developments

15. Violence reached high levels during the conduct of the Israeli military operation Cast Lead, during which 1,440 Palestinians were killed and 5,380

[1] IMF: macroeconomic and fiscal framework for the West Bank and Gaza: third review of progress, February 2009.

injured.[2] The operation also led to 13 Israeli fatalities and approximately 518 injuries.[3] Excluding the casualties incurred during operation Cast Lead, 178 Palestinians were killed (40 in the West Bank, compared with 82 during the previous reporting period, 138 in Gaza, compared with 605 during the previous reporting period) and a further 1,746 were injured (1,518 in the West Bank and 228 in Gaza). A total of twelve Israelis were killed by Palestinians and 192 were injured (compared with 23 killed and 347 injured during the previous reporting period). Militants in Gaza launched over 2,000 rockets and mortar shells towards communities in Israel during the reporting period. Between 1 May and 31 December 2008, 79 Palestinians were killed and 422 were injured in intra-Palestinian fighting.

16. Overall humanitarian conditions deteriorated, with increased unemployment and poverty, especially in Gaza, as a result of continued closure. The 2008 unemployment rate was estimated to be 40 per cent in Gaza and 19 per cent in the West Bank, up from an average of 30 per cent and 18 per cent in 2007. Data from a 2007 household survey found that 80 per cent of households in Gaza were living below the poverty line compared with 45 per cent in the West Bank.[1] Global increases in food prices over the past 12 months and reduced domestic agricultural yields due to adverse weather conditions placed further strains on the coping mechanisms of the Palestinians. Consequently, food insecurity in both Gaza and the West Bank increased,[4] despite ongoing large-scale food aid, job creation and cash assistance programmes. Furthermore, ongoing internal Palestinian divisions disrupted basic and community services.

17. Throughout the reporting period, most of the United Nations projects were halted owing to the lack of materials in Gaza. It became increasingly difficult to carry out humanitarian operations, and in November 2008, the Israeli authorities further restricted access of aid workers as well as delivery of commercial and humanitarian goods into Gaza. Those restrictions caused suspensions of food aid by UNRWA and the World Food Programme (WFP).

18. The already fragile situation in Gaza, which was under the de facto control of Hamas, deteriorated following the Israeli military operation Cast Lead, which lasted from 27 December 2008 to 18 January 2009. The operation resulted in extensive destruction of and damage to homes and the public infrastructure, as well as some United Nations and government facilities. An estimated 21,000 homes were destroyed or badly damaged in the fighting.[5] At the height of the fighting, nearly 51,000 people were displaced in shelters, and a larger number of people were believed to be living with host families.[6] The impact of the violence compounded the already serious humanitarian situation that had been caused by the 18 months of sustained closure of Gaza to all but the most essential commodities.

Movement and access

19. The Government of Israel took some steps towards removing obstacles and easing movement in the West Bank. However, the overall number of obstacles remained relatively stable during the reporting period, from 607 physical obstacles

[2] Gaza Ministry of Health figures. Independently verified figures not yet available.
[3] Report of the National Society of the International Red Cross Movement in Israel, January 2009.
[4] WFP Food Security and Market Monitoring Report Number 19, July 2008.
[5] The Palestinian Central Bureau of Statistics, February 2009.
[6] Consolidated Appeal Process 2009, p.1.

in April 2008 to 626 physical obstacles in February 2009.[7] The barrier and permit regime continued to restrict the access of Palestinians living in the West Bank to East Jerusalem and Israel. However, there was an increase in work permits granted to Palestinians to enter Israel and East Jerusalem, from 21,000 in 2007 to 23,000 in 2008.

20. No progress was made on the targets of the 2005 Agreement on Movement and Access, including the construction of the seaport or airport and the link between Gaza and the West Bank. Medical referrals for Gaza's residents to travel for outside treatment continued to require permits issued by the Israeli authorities. Between 1 May 2008 and 15 April 2009, 63 per cent (4,376 out of 6,960) of those who had been referred for medical treatment outside of Gaza received permits and visited the medical facility to which they had been referred. Access to medical facilities has been further complicated by the intra-Palestinian dispute that erupted after Hamas seized control over the Palestinian Referral Abroad Department on 22 March 2009.

21. Gaza's crossings remained closed for most of 2008, and smuggling through the tunnels played an increasing role in the economy. Some humanitarian assistance was allowed to enter Gaza, including the bulk entry of wheat grain, medicines and limited amounts of educational materials, but it proved to be very difficult to import other humanitarian goods, such as cement and generators. Moreover, UNRWA was long unable to bring paper into Gaza to print its human rights curriculum, while the Agency's emergency food aid programme was suspended on two occasions in 2008 due to lack of supplies. UNRWA continued to face difficulties in importing plastic for bags for its food distribution.

22. The Erez crossing point, the only passage for movement of people between Gaza and the West Bank via Israel, remained virtually closed after June 2007, except for representatives of foreign media, who were denied access in November 2008, and international aid organizations. Karni, the main crossing point for goods, continued to be closed as from June 2007, except for the conveyer belt. The Rafah crossing also remained officially closed, although a few hundred Palestinians, mainly persons seeking medical care, students and pilgrims, were able to cross each month for specific purposes.

23. During the reporting period, an average of 8.5 per cent of weekly needs of petrol, 26.0 per cent of diesel, 34.2 per cent of cooking gas and 59 per cent of industrial fuel came in through the Nahal Oz crossing, the only one technically equipped to handle fuel imports. The situation became particularly dire in December 2008, when Nahal Oz was open for only seven days. During that time, only 2 per cent of daily needs of petrol, 5 per cent of diesel, 12 per cent of cooking gas and 20 per cent of industrial gas entered.[8] Since then, there has been a ban on imports of petrol and diesel, except for small quantities delivered to UNRWA. Rationing of cooking gas for households and commercial and public use persists.

24. Israel continued to place restrictions on the types of commodities allowed to enter and exit Gaza, further crippling the already much reduced private sector and compromising the provision of basic services. A lack of cash led to fears that the banking sector would collapse and prevented the full provision of salaries to the

[7] Office for the Coordination of Humanitarian Affairs, Humanitarian Monitor, West Bank closure updates.

[8] Office for the Coordination of Humanitarian Affairs, Humanitarian Monitor, December 2008.

Palestinian Authority employees and the provision of emergency cash assistance to the most vulnerable refugees.

Barrier

25. Barrier construction within the occupied Palestinian territory in deviation from the Green Line continued despite the advisory opinion rendered by the International Court of Justice in July 2004 and the adoption by the General Assembly of resolutions ES-10/17 on 15 December 2006. As of August 2008, 57.2 per cent (415 km) of the planned route of the barrier (725 km) had been completed, and 62 km were under construction. The pace of construction has been slow since the previous report, and updated figures are not yet available. The United Nations Register of Damage Caused by the Construction of the Wall in the Occupied Palestinian Territory, which was established pursuant to resolution ES-10/17, commenced unimpeded its outreach and claim intake activities in Jenin Governorate, which was the first to have been affected by the construction of the barrier. Over 1,000 claim forms for registration of damage have been collected, and a number of them were reviewed by the Board of the Register of Damage and included in the Register. The Palestinian Authority, in particular the local authorities, cooperated fully and provided the necessary assistance. However, the Government of Israel continued to state that any claims in relation to damage caused by the barrier should be addressed through existing Israeli mechanisms. At the same time, the secretariat of the Register of Damage has experienced no practical difficulties in carrying out its activities on the ground as set forth in resolution ES-10/17.

III. United Nations response

26. United Nations agencies and programmes continued to fulfil their responsibilities and mandates to the best of their abilities. They adjusted to a situation characterized by a continued de facto political split between the Gaza Strip and the West Bank, the isolation of Gaza and the Israeli military operation "cast lead" in December 2008 and January 2009. As a result of the latter, a Gaza Flash Appeal was launched on 2 February, immediately after the ceasefire went into effect. A donors conference was held in Sharm el-Sheikh, Egypt, on 2 March 2009 to help rebuild Gaza, which resulted in pledges of approximately $4.5 billion.

27. Not only were Gaza and the West Bank politically divided during the reporting period, but the type of international assistance received by each also differed profoundly. While development strategies, community-based projects, technical capacity-building and budget support formed the basis of external assistance in the West Bank, in Gaza the focus was purely on emergency assistance, which deepened the policy divide.

A. Human and social development

Education

28. UNRWA continued to provide free education to over 250,000 pupils in 315 elementary and preparatory schools in the West Bank and Gaza. An estimated

$80 million was disbursed during the 2008/09 school year through this activity. The Agency provided skills and pre-service teacher training to over 3,000 persons. UNRWA launched the violence-free schools initiative in all schools and carried out training on codes of conduct in schools. In response to the deterioration of school standards in Gaza, a new "schools of excellence" scheme was implemented in 221 schools, which improved school governance, established a teacher training college and launched a special needs initiative.

29. The United Nations Educational, Scientific and Cultural Organization (UNESCO) provided technical assistance through teacher education, educational planning and management programmes, which led to the launch of a national teacher education strategy in May 2008. UNESCO launched a technical assistance programme worth euro 3.4 million to establish national systems and operational frameworks to implement the strategy and the Palestinian five-year education plan, and served as technical adviser to the educational sector working group. UNESCO also assisted in setting up career guidance for the educational system as a whole, in particular for technical and vocational education.

30. The United Nations Children's Fund (UNICEF) and UNRWA developed a joint pilot programme for child-friendly schools, providing an additional opportunity for six government and four UNRWA schools to develop the child-friendly school concept. A workshop was held for trainers and a plan of action was developed for implementation in 2009. UNICEF provided 1,100 mathematics and science teaching kits to schools, especially to those in disadvantaged areas in the West Bank and Gaza. Training on the utilization of the kits was conducted for 1,000 teachers. UNICEF also provided support for the re-establishment of libraries in 30 government schools and in 20 community centres. More than 4,000 children participated in reading as an extracurricular activity. After-school programmes were also implemented in 50 schools for girls. UNICEF provided equipment for the deployment of an education management information system in eight districts, which included 100 schools with the lowest performance.

31. The World Bank provided support to the Ministry of Education and Higher Education with a particular focus on enhancing the regulatory environment for tertiary education management, governance and quality assurance, as well as on promoting the internal and external efficiency of the tertiary education system. The project, funded by the World Bank ($10 million) and the European Commission (euro 5 million), provided funds to 39 tertiary education institutions to enhance their institutional self-assessment and strategic planning departments. In addition, the World Bank provides support to the Palestinian Authority's Education Sector Development Plan, the 2009 workplan and budget, with a total contribution of $5 million to $10 million.

32. The United Nations Development Programme (UNDP) Programme of Assistance to the Palestinian People provided support to the Ministry of Education and Higher Education through a grant of $7.5 million for the construction of four new schools, the rehabilitation of 12 schools and the provision of information and telecommunications equipment to 200 schools. The United Nations Development Fund for Women (UNIFEM) provided support to the Palestinian Rural Women's Access to Academic Counselling project in 21 locations throughout the occupied Palestinian territory, which led to the establishment of study centres in 24 locations, 156 academic counselling sessions, and open hours provided to 8,000 rural women.

The United Nations Population Fund (UNFPA) continued to build the capacity of teachers, school counsellors, school health-care staff, and school health committee coordinators for in-school information and counselling activities.

Health

33. UNRWA operated 56 health-care facilities in Gaza and the West Bank at a cost of $45 million. The Agency's medical staff carried out over 5,300,000 consultations in those facilities as the demand for primary health-care services continued to rise. UNRWA also supported environmental health projects in Gaza through the delivery of 1,000 tonnes of diesel fuel to providers of basic utility services, such as water, sewage pumping and solid waste collection.

34. UNFPA trained community health-care workers on safe childbirth and deployed them in remote areas and provided technical and financial support to both governmental and non-governmental organizations in strengthening the delivery of psychosocial services to young people. UNFPA also rehabilitated two maternity wards and provided medical equipment to four others. The Fund also provided emergency obstetric care and outreach services to 30 isolated communities. The UNDP Programme of Assistance supported the construction and rehabilitation of three hospitals and three mental health facilities and facilitated the training of staff, general practitioners and nurses.

35. The technical programmes of the World Health Organization (WHO), amounting to $1.4 million, facilitated the establishment of a mental health unit within the Ministry of Health to lead mental health reform in the occupied Palestinian territory, provide training and education, and establish a non-governmental organization for family associations. In addition, WHO disbursed up to $90,000 to establish a national committee for non-communicable diseases.

36. With the support of WHO, the Ministry of Health successfully prepared the 2008-2010 National Strategic Health Plan. WHO supported the Ministry in developing treatment protocols for a number of chronic conditions and training in using them, as well as in introducing new WHO growth standards and in building the capacity of central public health laboratories to monitor levels of micronutrients in fortified foods and in the population. WHO also continued to support the Nutrition Department of the Ministry of Health and initiated the establishment of an effective nutrition surveillance system, while UNICEF supported the formulation and adoption of a national policy on infant and young child feeding practices, and the new code on breast milk substitutes.

37. UNICEF provided support to the Ministry of Health through a programme, worth $3 million, aimed at maintaining vaccine security and availability of essential drugs and equipment under the Integrated Management of Childhood Illness initiative. This was complemented by the provision of direct support for improved management of the Expanded Programme on Immunization and cold chain capacity, resulting in sustained, high immunization coverage of more than 97 per cent of all infants from birth to 11 months of age.

38. The United Nations thematic group on HIV/AIDS, chaired by UNFPA, started an $11 million project to combat HIV in the occupied Palestinian territory. The project, which is supported by the global fund to combat HIV/AIDS, tuberculosis

and malaria is designed to halt the spread of HIV and sexually transmitted infections and improve the quality of life of those affected.

Employment

39. The International Labour Organization (ILO) and the UNDP Programme of Assistance supported the Ministry of Labour in establishing an Employment Support and Policy Committee, and provided technical assistance to the Employment Directorate and the local labour offices in the West Bank to improve management of labour markets and the provision of services. In addition, under its agreement with the Palestinian Authority, ILO conducted a skills introductory and validation workshop for in-depth mapping and analysis of technical and vocational education and training. ILO also provided policy recommendations for decision makers, experts and practitioners on the potential of the cooperative sector.

40. As part of the $30 million programme of the Islamic Development Bank, the UNDP Programme of Assistance channelled $4.8 million through comprehensive packages of financial and non-financial services to 1,400 poor Palestinian families, which became independent income providers in both West Bank and Gaza. The UNDP Programme of Assistance spent an additional $2 million on short-term employment opportunities for poor unemployed workers in Gaza through activities aimed at improving environmental conditions, such as cleaning Gaza's beaches, towns and villages. The Programme implemented projects valued at $1.6 million, which generated over 700,000 workdays in 260 locations in the West Bank and Gaza. UNRWA created 3.2 million workdays for 57,000 refugees and provided training in Gaza for 2,000 unemployed university graduates. UNIFEM trained 80 women from 28 women's centres in the West Bank in the management of school canteens in the 2008/09 academic year, and provided support to 15 women in the production of snacks for 63,000 kindergarteners. The women each earned an average salary of $150 per month.

41. The Ministry of Labour and the Ministry of Education and Higher Education approved the implementation of the ILO entrepreneurial education training toolkit "Know about business". The project, which was also supported by the UNDP Programme of Assistance, aimed developing positive attitude towards entrepreneurship and self-employment.

Targeted social assistance

42. Through its Special Hardship Case Programme, worth $184 per person per year, UNRWA distributed 496,316 food and cash subsidy packages on a quarterly basis to 30,500 households (including around two thirds in Gaza). A new poverty-based approach to social safety net assistance was also introduced through a pilot programme in Gaza. UNRWA also supported 21 community-based rehabilitation centres in promoting and equalizing opportunities for persons with disabilities. The rehabilitation centres provided services to 11,628 persons. The World Bank provided cash benefits to 25,000 households, as well as technical assistance to support the Ministry of Social Affairs in carrying out reforms of the social safety net, costing $25 million. In addition, the UNDP Programme of Assistance started to distribute $50 million in cash assistance to Gaza's population.

43. The World Bank covered non-salary-based recurrent expenditure with around $90 million for the Ministries of Health, Education and Social Affairs in order to

maintain a network of public social services for all Palestinians, and in particular the poor and most vulnerable.

Cultural heritage

44. UNESCO assisted the Ministries of Culture and Tourism and Antiquities by developing and implementing a number of projects involving the Riwaya Museum in Bethlehem and the protective shelters and visitors' facilities at Hisham's Palace in Jericho, and in the Bethlehem and Nablus Governorates.

Human rights, women, children and youth

45. The Office of the United Nations High Commissioner for Human Rights (OHCHR) organized a series of workshops on the universal periodic review mechanism of the Human Rights Council to support civil society groups in their access to international human rights mechanisms and to promote accountability. The Office trained police officers of the Police Academy in Jericho and Prosecutors in Ramallah in human rights standards and mechanisms. OHCHR also trained 66 teachers at the primary and secondary levels in Ramallah, Nablus and Bethlehem in issues related to addressing children's priority needs in conflict situations.

46. In order to promote the advancement of refugee women as partners in the development process, UNRWA supported 26 Women Programme Centres and, in the course of 2008, 3,094 women attended courses in computer literacy, first aid, hairdressing and sewing. Many programmes targeted the entire community so as to promote women's self-reliance. A total of 22,403 persons attended awareness-raising lectures and 6,775 people sought advice from legal aid bureaux housed in the community centres. UNRWA also introduced the equality in action programme to address the needs of Palestinian girls and women in Gaza. The initiative was designed to address inequality at all levels of social, economic and political life.

47. The UNDP Programme of Assistance established two women's vocational training centres in the towns of Nuseirat and Jabalia (Gaza Strip) offering access to social and economic services to women and their families, and established a community development house in Silwan in East Jerusalem. The Programme also provided vocational training to more than 1,850 women. ILO facilitated a number of gender workshops for employees of the Ministries of Women's Affairs and Labour and Planning, and of the Federation of Palestinian Chambers of Commerce, Industry and Agriculture, and the Palestine General Federation of Trade Unions.

48. UNFPA worked on strengthening community-based organizations established to institutionalize the provisions contained in Security Council resolution 1325 (2000) and to provide health services, counselling, microcredit and health education. In addition, UNFPA worked with the Ministry of Women's Affairs to establish a national committee for combating gender-based violence.

49. The Food and Agriculture Organization of the United Nations (FAO) provided emergency support and employment generation, worth $904,149, to 4,550 households headed by women through backyard farming and cottage industries. Through training in food processing and cottage industries and through marketing initiatives, FAO sought to make those income-generating activities sustainable. In order to promote agricultural entrepreneurship skills among youth in Gaza, FAO provided training in small-scale farming to 480 young persons in 4 schools in Gaza and

12 schools in the West Bank through its Junior Farmer Field and Life School training schemes.

50. UNICEF implemented projects in the area of child protection, worth $2.9 million, and worked with community leaders to disseminate child protection messages, develop psychosocial services and coordinate reporting on child-protection issues, including those set out in Security Council resolution 1612 (2005).

51. UNFPA provided technical and financial support to governmental and non-governmental organizations in order to strengthen their delivery of psychosocial services to young people and to provide economic opportunities to young university graduates. In 2008, 23,090 young persons were provided with psychosocial support and 100 with economic opportunities.

52. The Summer Games 2008, sponsored by UNRWA, which is the largest recreational youth initiative to have taken place in Gaza to date, catered to over a quarter of a million participants over a period of 10 weeks. The activities provided included swimming and a variety of sports, arts and crafts, environmental activities and field trips to the newly opened Museum of Archaeology in Gaza.

Environment

53. The UNDP Programme of Assistance disbursed $390,000 to improve medical waste management in the Ramallah district. The Programme helped prepare needs-assessment reports for Ramallah Hospital and for the municipality of Ramallah, and a Medical Waste Management Manual for the Ramallah Governmental Hospital and the Ramallah municipality. Medical waste regulations and guidelines were revised, and several public awareness tools were produced.

54. The UNDP Programme of Assistance and the Palestinian Environment Quality Authority prepared an assessment of the climate change situation in the occupied Palestinian territory and with the intention of developing a climate change adaptation strategy which will be used to raise funds for climate change interventions. The Programme of Assistance also conducted two scoping workshops in 2008 at which the preliminary findings of the questionnaire on climate change were presented.

B. United Nations system emergency assistance

55. Approximately 70 per cent of the population in Gaza was dependent on external assistance prior to the Israeli military operation Cast Lead in December 2008 and January 2009; however, access restrictions on people and goods led to many projects, notably those related to water and sanitation, being put on hold throughout the reporting period. Approximately 34.5 per cent of the Palestinian population in the West Bank was affected by deep income poverty, primarily because of movement restrictions within and into and out of the West Bank.

56. Prior to operation Cast Lead, some 1.8 million Palestinians, including over two thirds of the population of Gaza, received food assistance from UNRWA and WFP, while a further 100,000 children in Gaza and 57,000 in the West Bank benefited from a school feeding programme. In the water, sanitation and hygiene sector, interventions included the provision of an emergency water supply for Palestinian communities in rural areas of Gaza and the West Bank, and fuel for Gaza Strip

municipalities and solid waste management councils. The creation of short-term jobs and cash assistance projects supported an estimated 65,000 poor households in Gaza and the West Bank, and cash grants were provided to 30,000 poor refugee families in the occupied Palestinian territory.

57. During operation Cast Lead, UNRWA provided temporary shelter to over 50,000 Palestinians who sought refuge in over 50 Agency schools. Critical operations, including food distribution and health-care services, continued to the extent possible, with around 1,000 of the Agency's 10,000 Palestinian staff in Gaza working throughout the crisis. Following the declaration by Israel of a ceasefire on 18 January 2009, UNRWA expanded emergency operations to meet additional humanitarian needs and support recovery and rehabilitation. The Agency increased its emergency food aid rolls from 550,000 to 900,000 refugees and also provided financial and in kind support to thousands of refugee families left homeless as a result of the military operation.

Emergency food and agriculture support

58. WFP interventions reached 109,178 beneficiaries in the West Bank and 85,504 in Gaza, of which 5,000 were hospital patients and elderly who received special food rations. A total of 21,600 tonnes of wheat flour, vegetable oil, chickpeas, sugar and salt were distributed under that intervention. In the West Bank, 43,040 beneficiaries were assisted with 26,622 tonnes of food supplies, and 172,000 vulnerable persons received 9,600 tonnes of food in Gaza.

59. Between April 2008 and March 2009, 50,136 schoolchildren in the West Bank received a ration of nutrition biscuits and milk. In Gaza, the school feeding programme started after the operation Cast Lead and, to date, has reached about 50,000 schoolchildren, with 546 tonnes of high-energy biscuits, date bars, milk, canned meat and ready-to-eat meals.

60. Since 27 December 2008, WFP continuously provided assistance to Gaza's population and distributed 5,567 tonnes of food to approximately 346,000 beneficiaries through emergency distributions of bread, date bars, high-energy biscuits and ready-to-eat meals, including approximately 40,000 schoolchildren assisted through the school feeding programme, which started at the end of January 2009. Following the conflict, WFP increased its caseload by an additional 100,000 individuals in order to assist those who had lost homes, jobs and productive assets.

61. In 2008, UNRWA provided emergency food assistance to approximately 700,000 refugees in Gaza and 300,000 in the West Bank. A school feeding programme was also introduced in Gaza and extended to all 200,000 refugee pupils in Agency schools at the start of the 2008/09 school year. UNRWA also disbursed $12 million in cash to 30,000 poor refugee families during 2008, including those who had been made homeless as a result of military operations, drought or flood, and $6 million in Gaza to cover back-to-school costs for poor refugees.

62. In order to support the agricultural sector and improve food security through the strengthening of local production, FAO distributed agricultural inputs to 3,725 smallholder farming families and 2,500 herder families, accompanied by training to promote improved agricultural practices and herder capacities. Similarly, 700 fishermen and their dependants received support through the establishment of aquaculture ponds and the provision of fingerlings.

63. The UNDP Programme of Assistance to the Palestinian People signed an agreement with the Palestinian Authority totalling $270 million to compensate farmers whose agricultural property in Gaza had been damaged during the military operation Cast Lead.

Emergency education support

64. UNICEF distributed 50,000 schoolbags and stationery items and provided uniforms to students affected by the flooding of the sewage plant in the Gaza Strip. In the immediate aftermath to the Gaza crisis, UNICEF procured and distributed 160 math teaching kits for 12,800 children, 100,000 notebooks and 200 recreation kits for 18,000 children, 480 "school in a box" sets for 38,400 children, 166 science teaching kits for 913,280 children, 2,000 student profile forms and four school tents at an estimated cost of $275,000.

Emergency health support

65. During the crisis in Gaza, UNRWA provided additional storage space for the blood bank, central drug store and forklifts, as well as fuel and other support, such as logistics. UNICEF provided a generator to each of two blood banks in Gaza, 457,500 doses of vaccines as part of a multi-antigen immunization catch-up campaign for infants and pregnant women, and mumps, measles and rubella vaccines for 14,000 schoolchildren aged 13 to 15. Obstetric and midwifery medical kits were provided to 900 mothers and their infants, and 98,000 kilograms of pharmaceuticals were provided as part of emergency triage. In the West Bank, UNRWA operated five mobile health clinics serving 150 isolated locations, in particular those affected by the barrier. The clinics provided approximately 156,000 patients with primary health-care services, treatment for non-communicable diseases and vaccines.

C. United Nations system support to Palestinian institutions

66. The Palestinian Authority continued to introduce institution-building and prudent fiscal policies and reforms. The Palestinian Authority also worked increasingly towards achieving an integrated planning and budgeting process. The 2009 budget envisaged further reforms and deficit reduction with a significant shift in the composition of spending away from wages and subsidies towards public investment. A supplementary budget is being prepared to include spending for Gaza's reconstruction and rehabilitation. During 2008, the Palestinian Authority made substantial progress in establishing security in several Palestinian cities in the West Bank, which led to improved business confidence. However, progress in the development of sector-specific strategies was relatively slow.

67. The World Bank spent $10 million to improve accounting systems, financial management and budgetary controls, and physical and investment planning of municipalities. As a result, the Ministry of Local Government approved a chart of accounts in 132 municipalities and piloted the valuation method of fixed assets in 8 municipalities. In addition, an integrated financial management system was developed and rolled out to municipalities.

68. FAO supported the Ministry of Agriculture by managing the agricultural project information system database, which records all agricultural projects in the

West Bank and Gaza. FAO and WFP collaborated with the Palestinian Central Bureau of Statistics to establish a socio-economic and food security monitoring system. In addition, FAO worked with the Ministry of Agriculture to build national capacity to prevent avian influenza, including through the provision of technical equipment, and training of veterinary professionals to raise their ability to respond to a potential outbreak.

69. The UNDP Programme of Assistance to the Palestinian People supported the preparation of a comprehensive district strategic development planning manual and a strategic development plan for the town of Jenin on the basis of several diagnostic studies and assessments in the district. A local governance integrity toolkit was developed for the occupied Palestinian territory and tested in 15 local governments in the West Bank. The Programme also supported the building of a new courthouse in Jenin that included case management software.

70. The UNDP Programme of Assistance helped the Ministry of Finance to publish monthly financial reports on its website. A workshop was organized on the drafting of regulations on conflicts of interest and the protection of whistle-blowers in corruption cases and to amend related articles of the Palestinian penal code. The Programme also supported the training of property tax employees of the Ministry of Finance in the areas of geographic information systems, accounting, tax collection and management.

71. The United Nations Office for Project Services (UNOPS) provided support, mainly through the Ministry of the Interior, to the Palestinian civil police, civil defence and presidential guard, and built capacity in project development within the civil police through the creation of a Programme Steering Committee. UNOPS also completed the master plan for the Karni commercial crossing upgrade.

72. The activities of the United Nations Conference on Trade and Development (UNCTAD) to bolster Palestinian economic governance registered significant progress in the area of customs modernization. As part of the Palestinian Authority's renewed development efforts, the system was launched in 2008.

73. UNIFEM supported the Police Department of the Ministry of the Interior by conducting a police partnership training programme on violence against women for 46 police officers and members of the security forces. As a result, the Police Department drafted a code of conduct for police officers dealing with cases in which women were victims of violence. UNIFEM also assisted the Ministry of Social Affairs in defining its role and outlining its institutional set-up for the full operation of the Mehwar Centre, the only shelter for survivors of violence against women in the occupied Palestinian territory.

74. Through the Municipal Development and Lending Fund, the World Bank provided grants amounting to $10 million to municipalities in the West Bank and Gaza for capital investment, job creation and service delivery programmes in 132 municipalities. In addition, the World Bank disbursed $10 million under the community-driven development project to promote the merging of local government units through joint projects in the West Bank and Gaza. The project was implemented with the Ministry of Local Government and improved cooperation among local government units, targeted nine joint service councils in the West Bank serving 148,788 persons, and 16 neighbourhoods in Gaza serving 108,289 persons.

D. Private sector development

75. In 2008, UNRWA financed over two thirds of all 12,000 loans, amounting to $18.97 million, provided to Palestinian microenterprises and households. The split in the Palestinian polity had a direct impact on the sustainability of the loan programme. In Gaza in 2008, the programme financed nearly 3,000 loans worth $5.05 million, compared with 9,000 loans worth $13.92 million in the West Bank. Despite the situation in Gaza, UNRWA covered 117 per cent of its running costs of $3.18 million from its credit operations.

76. UNCTAD finalized the establishment of the Palestinian Shippers' Council, which has assumed the established status as a focal point for addressing the concerns of Palestinian shippers. In close coordination with the Palestinian Investment Promotion Agency, UNCTAD completed a project on an investment retention programme. Key achievements included a programme tailored for current investors in the occupied Palestinian territory.

E. Coordination of United Nations assistance

77. The Office of the United Nations Special Coordinator for the Middle East Peace Process continued to coordinate United Nations assistance to the Palestinian people and represented the United Nations at coordination forums. In that capacity, the Office participated in two meetings of the Ad Hoc Liaison Committee for Assistance to the Palestinian People in London and New York, and regular meetings of the local development forum. Under the leadership of the Deputy Special Coordinator, the United Nations country team started to prepare the United Nations medium-term response plan, which is expected to better coordinate and organize United Nations agency support to Palestinian priorities, as articulated in the Palestinian Reform and Development Plan for 2008-2010 and the Palestinian National Early Recovery and Reconstruction Plan for Gaza for 2009-2010.

78. The Office for the Coordination of Humanitarian Affairs prepared the 2009 consolidated appeals process document for $875 million, conducted assessments, monitored the situation on the ground, provided logistics to facilitate the humanitarian response and reported on closures, incidents of violence and other humanitarian developments. The Office facilitated the implementation of projects by non-governmental organizations and United Nations agencies through the Humanitarian and the Emergency Response Fund and the Central Emergency Response Fund.

79. In July 2008, United Nations humanitarian agencies and international and national non-governmental organizations established a humanitarian country team, modelled on the Inter-Agency Standing Committee, to agree on joint advocacy messages and responses. In addition, a humanitarian task force, comprising representatives of the humanitarian country team, the Palestinian Authority and donors, was set up to coordinate humanitarian assistance, monitor progress of humanitarian programmes and promote a collaborative approach among all stakeholders.

Humanitarian access

80. An access support team was established to facilitate humanitarian access by documenting incidents of delayed or denied access for United Nations staff. In addition, in order to improve humanitarian access, the United Nations humanitarian country team and the Humanitarian Liaison Working Group endorsed the framework for the provision of humanitarian assistance, which addressed the constraints encountered by humanitarian actors operating in Gaza and outlined possible advocacy messages to be used with the Government of Israel, the Palestinian Authority and de facto authorities in Gaza.

IV. Donor response to the crisis

Budgetary and fiscal support

81. Following the finalization of the Palestinian Reform and Development Plan in April 2008, donors increasingly programmed their support based on Palestinian Authority priorities as contained in the Plan. Donors disbursed up to $1.8 billion in 2008 to finance the recurrent budget, compared with $1 billion in 2007, and well above the amount pledged at the donors conference in Paris in 2007. The implementation of donor-financed development projects, however, was slower than expected.

82. At the International Conference in Support of the Palestinian Economy for the Reconstruction of Gaza, held in Sharm el-Sheikh, Egypt, on 2 March 2009, at which the Palestinian Authority presented the Palestinian National Early Recovery and Reconstruction Plan for Gaza 2009-2010, total pledges amounted to some $4.5 billion for the West Bank and Gaza, in addition to $0.7 billion in reconfirmed past pledges. The largest pledges came from Saudi Arabia ($1 billion), the European Union (€440 million), the United States of America ($0.9 billion), Qatar ($250 million) and Kuwait ($200 million). However, none of the pledges are earmarked for specific purposes or agencies, nor are they linked to a timeline for transfer of funds.

83. Donor pledges for 2009/10 budgetary support are insufficient as they only amount to about $0.5 billion according to the Paris donor conference pledges in December 2007. There is therefore a pressing need to secure adequate external assistance to finance the budget deficit for 2009. External financing requirements for recurrent expenditures stand at $1.2 billion in 2009 compared with $1.8 billion in 2008. This should make it easier for donors to finance the increase in public investment, which was projected at $0.5 billion for 2009, in addition to the $1.3 billion requested by the Palestinian Authority to address the conflict-related recovery and reconstruction of Gaza. In terms of humanitarian needs, 32.4 per cent of the consolidated appeal ($284 million) was funded as of 6 April 2009.

Donor coordination

84. Frequent aid coordination meetings took place at all levels in 2008. Two ministerial meetings of the Ad Hoc Liaison Committee for Assistance to the Palestinian People were held, one in London in May 2008, and one in New York in September 2008, to examine progress on the tripartite agreements among the Government of Israel, the Palestinian Authority and the international community.

The Palestinian Authority drafted an aid harmonization action plan as well as a set of partnership principles in order to better coordinate external financial and technical support. The Ad Hoc Liaison Committee agreed in New York in September 2008 to re-establish the tripartite coordination mechanism among the Government of Israel, the Palestinian Authority and representatives of the international community at the local level, namely through the Joint Liaison Committee, which met only once, in December 2008. In the lead-up to the Conference in Sharm el-Sheikh, Egypt, members of the international community coordinated their support to the Palestinian Authority in developing the Palestinian National Early Recovery and Reconstruction Plan for Gaza for 2009-2010.

V. Challenges

85. Gaza's established crossings remained closed for most of 2008, an armed conflict broke out at the end of the year, talks on intra-Palestinian reconciliation were inconclusive and there was no significant progress in negotiations between the Government of Israel and the Palestine Liberation Organization. In the West Bank, closures, settlement activity and house demolitions continued. Those factors posed significant challenges to the economic revival of the occupied Palestinian territory and to an effective response to humanitarian needs.

86. Despite the relative calm prevailing in Gaza at present, without a durable and sustainable ceasefire as called for by the Security Council in its resolution 1860 (2009), the humanitarian situation in Gaza is likely to remain critical and volatile. While funding is essential for the 2009 consolidated appeal, the Palestinian National Early Recovery and Reconstruction Plan for Gaza for 2009-2010 as well as for the budget of the Palestinian Authority, it will remain impossible to meet the needs in the occupied Palestinian territory without a full opening of all crossings into Gaza and a significant easing of restrictions of movement into, out of and within the West Bank, including East Jerusalem. Relief items, equipment and construction material, and spare parts need to be allowed into Gaza, as should the free movement of goods and persons, the free and sustained movement of humanitarian personnel, and regular cash flows. Improvements must be made in order to allow the population in the West Bank access to livelihoods and social services and to maintain normal social and economic relations.

VI. Conclusions

87. The operational context for the United Nations in the period under review led to a two-pronged approach: (a) increasingly refocusing attention on longer-term economic, infrastructure, capacity-building and service delivery interventions in the West Bank; and (b) delivering emergency and life sustaining interventions in Gaza. However, United Nations agencies and programmes continued to face severe restrictions and obstacles that made the delivery of assistance more urgent, but also more difficult. In the light of the recent conflict in Gaza, the delivery of emergency and humanitarian assistance will continue to be critical. However, efforts to support the long-term recovery of Palestine and development efforts should remain high on the agenda. The United Nations will continue to focus, to the extent possible, on

institution-building and aligning its programmes to the Palestinian Reform and Development Plan.

88. In 2009, the United Nations will continue working towards the realization of a just, lasting and comprehensive peace in the Middle East on the basis of Security Council resolutions 242 (1967), 338 (1973), 1397 (2002), 1515 (2003), 1850 (2008) and 1860 (2009), and the establishment of a sovereign, democratic, viable and contiguous Palestinian State, existing side by side in peace with a secure Israel.